SYSTEM AND METHOD FOR ANALYZING FINANCIAL MARKET DATA

Ari Pine
Arthur L. Shmurun

ABSTRACT

A financial market analysis system includes a derivatives database which provides for floating frames of reference for data organization and retrieval. The system provides searchable characteristics based on relation to characteristics of the underlying instruments, other options of similar expiry, and between options of different expiry. The database may contain comprehensive data on all relevant securities, including underlying market price data and derivatives of the same class. The system may provide more easily accessible querying options that are based upon the ordinal numbering of relative expiration dates to take advantage of the market's structure. The system may also provide more easily processed queries based on a derivative's proximity to the underlying instrument's market price. For options and instruments with embedded options, the system may order options expiring on the same expiration date by proximity to the at-the-money options. The system enables easier query formulation by transforming the frame of reference of the user from an absolute, cardinal system of particular securities to a relative, ordinal system that moves with time and the underlying instruments.